

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 331 – SB 884

February 23, 2009

SUMMARY OF BILL: Prohibits the use of a wireless telephone while operating a motor vehicle, except for when such device is designed and configured to allow for hands-free listening and talking and the device is used in this manner while driving. Creates a Class C misdemeanor punishable by fine only of \$50, effective July 1, 2009, provided that until October 1, 2009, only warning citations are issued for violations.

ESTIMATED FISCAL IMPACT:

Increase State Revenue –

\$864,500/FY09-10

\$1,152,600/FY10-11 and subsequent fiscal years

Increase Local Revenue –

\$45,500/FY09-10

\$60,700/FY10-11 and subsequent fiscal years

Increase Local Expenditures – Not Significant

Assumptions:

- Based on information provided by the Department of Safety, there are approximately 4,333,000 licensed drivers in Tennessee.
- The number of drivers remains constant in subsequent fiscal years.
- It is estimated that approximately 70 percent of all licensed drivers (3,033,100) own cell phones.
- It is estimated that approximately one percent of all licensed drivers owning a cell phone would be cited in any given year (30,331). This number is equivalent to approximately 0.92 citations per day per county per calendar year.
- Local government receives five percent of fine revenue as commission.
- Twenty percent do not pay fines due to indigence.
- The increase of state revenue is estimated to be \$1,152,600 per year (30,331 x 95% x 80% x \$50 = \$1,152,578).

HB 331 – SB 884

- The increase of local government revenue is estimated to be \$60,700 per year ($30,331 \times 5\% \times 80\% \times \$50 = \$60,700$).
- The increase to local government expenditures for enforcement is estimated to be not significant.
- The first-year impact is estimated at 75 percent of the first full-year impact due to requirement in bill stating that only warnings shall be issued from July 1, 2009 until October 1, 2009.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc